

***** A M E N D E D *****
NOTICE OF PUBLIC MEETING OF THE
ARIZONA STATE PARKS BOARD

Notice is hereby given to Members of the Arizona State Parks Board (Board) and the general public that there will be a Special Parks Board meeting, to begin on **WEDNESDAY, August 3, 2011 at 10:00 AM** pursuant to A.R.S. § 38-431.02 and A.R.S. § 41-511.01 *et. seq.* at the **Arizona State Parks Offices** located at **1300 W. Washington St., Phoenix, AZ**. The public portion of the meeting will begin at **10:00 AM (time certain)**.

The Board may elect to hold an Executive Session for any agendized item at any time during the meeting to discuss or consult with its legal counsel for legal advice on matters listed on this agenda pursuant to A.R.S. §38-431.03 (A) (3). Items on the Agenda may be discussed out of order, unless they have been specifically noted to be set for a time certain. Public comment will be taken. The Board will discuss and may take action on the following matters.

AGENDA

(Agenda items may be taken in any order unless set for a time certain)

- A. CALL TO ORDER - ROLL CALL – Time Certain: 10:00 AM**
- B. PLEDGE OF ALLEGIANCE**
- C. INTRODUCTIONS OF BOARD MEMBERS AND AGENCY STAFF**
 - 1. Board Statement - “As Board members we are gathered today to be the stewards and voice of Arizona State Parks and its Mission Statement to manage and conserve Arizona’s natural, cultural, and recreational resources for the benefit of the people, both in our parks and through our partners.”**
- D. CALL TO THE PUBLIC –** Consideration and discussion of comments and complaints from the public. Those wishing to address the Board must register at the door and be recognized by the Chair. It is probable that each presentation will be limited to one person per organization. Action taken as a result of public comment will be limited to directing staff to study or reschedule the matter for further consideration at a later time.
- E. CONSENT AGENDA –** The following items of a non-controversial nature have been grouped together for a single vote without Board discussion. The Consent Agenda is a timesaving device and Board members received documentation regarding these items prior to the open meeting. Any Board member may remove any item from the Consent Agenda for discussion and a separate vote at this meeting, as deemed necessary. The public may view the documentation relating to the Consent Agenda at the Board’s office: 1300 W. Washington, Suite 150A, Phoenix, Arizona.
 - 1. Approve Minutes of June 22, 2011 Arizona State Parks Board Meeting**



2. **Approve Minutes of June 23, 2011 Arizona State Parks Board Meeting**
3. **Approve Executive Session Minutes of June 23, 2011 Arizona State Parks Board Meeting**

F. BOARD ACTION ITEMS

- 5 1. **Consider Approving a Baseline Arizona State Parks FY 2013 Operating Budget and Donations Program Budget Request** – Staff recommends the Arizona State Parks Board approve the submission of the requested “baseline” Arizona State Parks Operating Budget of \$19,617,400 and Donations Program Budget of \$60,800 for FY 2013 as represented in Table 1, including the assumptions, and including expenditure of Law Enforcement Boating Safety Fund (LEBSF) revenues and cash balance in excess of \$750,000. Staff further recommends the Arizona State Parks Board approve these budgets as lump sum and the Executive Director be authorized to implement the programs, including submittal to the Governor’s Office and Legislature, as required.
- 10 2. **Consider Submitting a Request to Governor’s Office to Meet Arizona State Parks’ Financial Needs in FY 2013** – The Arizona State Parks Board should consider sending a letter to the Governor requesting adequate funding for Arizona State Parks for FY 2013.
- 13 3. **Consider Amending the FY 2012 Capital Budget** – Staff recommends the Arizona State Parks Board approve the amended FY 2012 Capital Improvement Plan and authorize expenditures in FY 2012 from currently identified project funding sources, and if available, potential funding sources that are yet to be determined.
- 14 4. **Consider Adopting the Capital Improvement Needs List** – Staff recommends the Arizona State Parks Board adopt the Capital Improvement Needs list for the purpose of planning short and long-term park development projects.
- 15 5. **Consider Letter of Support for Fully Funding Stateside Land and Water Conservation Fund** – Staff recommends the Arizona State Parks Board endorse the attached letter to the Secretary of the Interior Ken Salazar, opposing the redirection of the Stateside Land and Water Conservation Funds (LWCF) for other purposes.

G. DISCUSSION ITEMS

- 17 1. **Discuss Ideas and May Take Action for a FY 2012 Action Plan**

H. TIME AND PLACE OF NEXT MEETING AND CALL FOR FUTURE AGENDA ITEMS

1. **Staff recommends that the next Arizona State Parks Board Meeting be on Wednesday, September 14, 2011 at the Arizona State Parks offices in Phoenix, AZ.**



2. Board members may wish to discuss issues of interest to Arizona State Parks and request staff to place specific items on future Board meeting agendas.

H. ADJOURNMENT

Pursuant to Title II of the Americans with Disabilities Act (ADA), Arizona State Parks does not discriminate on the basis of a disability regarding admission to public meetings. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the acting ADA Coordinator, Nicole Armstrong-Best, (602) 542-7152; or TTY (602) 542-4174. Requests should be made as early as possible to allow time to arrange the accommodation.

8/1/11 2:01 PM


Renée E. Bahl, Executive Director

Arizona State Parks Board Action Report

Agenda Item #: F-1



Title: Consider Approving a Baseline Arizona State Parks FY 2013 Operating Budget and Donations Program Budget Request

Staff Lead: Kent Ennis, Assistant Director

Date: August 3, 2011

Recommended Motion: FY 2013 Operating Budget Request and Assumptions

I move the Arizona State Parks Board approve the submission of the requested "baseline" Arizona State Parks Operating Budget of \$19,617,400 and Donations Program Budget of \$60,800 for FY 2013 as represented in Table 1, including the assumptions listed below, and including expenditure of Law Enforcement Boating Safety Fund (LEBSF) revenues and cash balance in excess of \$750,000. I further move the Arizona State Parks Board approve these budgets as lump sum and the Executive Director be authorized to implement the programs, including submittal to the Governor's Office and Legislature, as required.

This budget, which will form the "baseline" request to the Governor's Office of Strategic Planning and Budgeting and the Legislature, does not reflect the additional funding requirements for Arizona State Parks that are discussed in Agenda Item F-2, which is a separate request to Governor's Office and Legislature to meet adequate financial needs in FY 2013.

Status to Date:

Operating Funds are the main focus of the agency budgeting process. The operating budget includes funding for both permanent and seasonal full-time equivalent (FTE) positions, employee benefits, rent/leases, risk management and operating needs and other necessary expenditures to operate and support the agency.

General Assumptions:

The goal of the FY 2013 "baseline" budget is to keep agency operations flat and avoid additional reductions. The FY 2013 agency operating budget recommended by staff is driven by a number of general considerations. If these assumptions change, then Staff will come back to the Board as needed to discuss funding options. These assumptions include:

- 1) The Board will continue to emphasize keeping as many parks open as possible.
- 2) There will be no additional legislated sweeps of any State Parks funds in FY 2012 or FY 2013.
- 3) Unlike FY 2012, during which the Board has one-time legislated authority to use the LEBSF for agency operations, including all receipts and cash balance forward above \$750,000 reserved for pass through grants to three counties, there is no legislated authority to fund agency operations from LEBSF during FY 2013. However, staff recommends seeking session law that will allow full appropriation of LEBSF revenues to State Parks for FY 2013, with \$750,000 reserved for pass through grants to three counties, and full use of all remaining revenues and cash balance for agency operations.

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- 4) Continued monetary and in-kind local contributions toward specific park operations will support the agency's effort to keep those parks open.
- 5) Setting aside \$1 million in operating funds for on-going repair, replacement and maintenance within the parks. This amount will be insufficient to deal with the majority of deferred maintenance. The FY 2012 budget was the first year after the permanent loss of the Arizona State Parks Heritage Fund, which provided the majority of the agency's capital and facilities maintenance funding in FY 2011 and prior years.
- 6) FY 2012 and FY 2013 will start with operating cash balances that are at historic low levels for the agency.

Board Budget Policy Considerations:

- State Lake Improvement Fund (SLIF) revenues are currently forecasted to be \$4.9 million in FY 2012 and FY 2013. The FY 2012 budget approved by the Board on June 23, 2011 reflected planned SLIF spending at \$6 million for agency operations. Staff recommends spending \$4.22 million from SLIF in FY 2013. The lowered SLIF operating budget of \$4.22 million in FY 2013 reflects staff's recommendation to seek favorable review from the Joint Committee on Capital Review (JCCR) to use \$1.12 million of SLIF for capital improvements at the agency's boating parks. This option is dependent upon enactment of session law that appropriates the LEBSF to State Parks for agency operations, and the full appropriation of the Enhancement Fund. Otherwise, FY 2012 and FY 2013 SLIF ending balances will be lower and will not sustain any potential additional fund sweeps or capital expenditures.
- The LEBSF budget for FY 2013 reflects staff's recommendation to seek the enactment of session law that appropriates the Law Enforcement Boating Safety Fund (LEBSF) to State Parks in FY 2013 for agency operations and \$750,000 to grants. Staff would pursue conversation with public partners to determine if other funding would be available for pass through to the County Sheriff Departments to offset the portion of LEBSF that would be used for State Parks operations in FY 2013.
- Both FY 2012 and FY 2013 revenues from the Enhancement Fund are estimated to be \$10 million, the same as estimated FY 2011 parks revenues. Staff recommends, through the agency's budget submission request to the Governor's Budget Office and the Joint Legislative Budget Committee (JLBC), to increase the FY 2013 Enhancement Fund budget to \$10 million to partially offset other revenue losses for agency operations, and also to align expenditures from that fund with the level of anticipated Enhancement Fund visitor revenues. If the Legislature does not enact this appropriation increase, Enhancement Fund revenues in excess of the appropriated budget limit will continue to be unavailable to fund park operations and the agency's overall operating budget will likely be lower in FY 2013 than in FY 2012.
- Land Conservation Fund Interest (LCF Interest) - The FY 2012 Operating Budget approved by the Board on June 23, 2011 does not include expenditures from this

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fund. Staff recommends reserving the current cash balance and FY 2012 revenues for operations in FY 2013 and future, to offset anticipated loss of other revenues. The cash balance in the LCF Interest account is estimated to reach \$1.17 million at the beginning of FY 2013, and \$850,500 of that balance is budgeted in FY 2013 for the continued support of the Growing Smarter Program and some contribution toward agency operating expenditures.

- As in FY 2011, \$1 million will be allocated within the agency Operating Budget for park repair and replacement needs across the Arizona State Parks system in each FY 2012 and FY 2013. This amount is insufficient to meet any large replacement or capital requirements.
- Reservation Surcharge Fund (RSF) revenues are currently forecasted to be \$500,000 in FY 2012 and FY 2013, a \$160,000 increase over FY 2011 original estimates due to the estimated new revenues from the online tour and camping reservation system. The additional revenues will be used to fund a portion of the cost of continued reservation system development and implementation. Although the FY 2012 appropriation for the RSF in the General Appropriations Act is only \$206,400, a footnote to that Act allows expenditure of all receipts to the fund, with notification to the Joint Legislative Budget Committee regarding the agency's intended use of the additional funds.
- Arizona State Parks will continue to implement and expand the online reservation system in FY 2013.
- The agency will continue to transition from permanent staffing to more seasonal employees to reduce payroll costs.
- In order to increase awareness and market share of Arizona State Parks relative to other recreational choices in Arizona, Staff recommends increasing the Marketing and Printing budget from \$200,000 to \$400,000 for both FY 2012 and FY 2013, which will include contract services, but will not include additional staffing.
- Staff recommends a FY 2013 Donations Program Budget of \$60,800 from the Park and Program Donation accounts. This budget level includes expenditure of the estimated \$50,000 of new revenue and approximately 50% of the balance forward in those accounts. The staff recommendation does not include expenditures from the Asta Forrest bequest account, which has a balance of \$143,000 and is subject to Board approval for its use. Staff will bring recommendations to the Board in September 2011 for specific scope items to consider for this bequest account.

Specific FY 2013 Budget Proposal Recommendation:

The FY 2013 budget request will be presented to the Governor's Office of Strategic Planning and Budgeting and the Joint Legislative Budget Committee by September 1, 2011, and deliberated in the next year's Legislative Session. After final passage, the details of the budget signed by the Governor, and the agency's financial assumptions and recommendations for FY 2013, will be presented to the Parks Board in June 2012. At this time, key assumptions for that budget include the following:

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- Request a \$10 million Enhancement Fund expenditure appropriation to the Office of Strategic Planning and Budgeting (OSPB) and the Joint Legislative Budget Committee (JLBC).
- Budget forecasts assume continuation of LEBSF for agency operations in FY 2013, but this was Session Law pertaining to FY 2012 only. Request this continuation for the agency budget submittals to OSPB and JLBC.
- Request merging the Lump Sum Operating and Kartchner Caverns line items within the annual General Appropriations Act. This will provide the agency with flexibility to allocate the Enhancement Fund and Reservation Surcharge Fund appropriations more effectively across the entire park system.
- Request removal of the \$75,000 ending cash balance cap from the Reservation Surcharge Fund statute, A.R.S. 41-511.24. Staff will also request that the FY 2013 appropriation from the Reservation Surcharge Fund be increased to reflect the estimated FY 2013 revenues of \$500,000. This will provide the agency with flexibility to allocate the Reservation Surcharge appropriation more effectively throughout each quarter of the fiscal year.
- There will be \$1 million set aside within the agency Operating Budget for on-going repair, replacement and maintenance needs across the Arizona State Parks system in FY 2013.
- Completion of the next Watercraft Survey, which repeats every 3 years and determines the share of boating related gasoline taxes that fund the State Lake Improvement Fund, is scheduled for the first half of FY 2013. The new estimated percentage is expected to take effect in January 2013, but the current forecast does not anticipate a change to the agency's SLIF revenues.
- Staff recommends seeking JCCR favorable review for capital improvements of \$1.12 million to the agency's boating parks from the State Lake Improvement Fund from FY 2013 SLIF revenues. The Parks Board would recommend projects after the FY 2013 budget is enacted.

Budget Tables for FY 2013

Table 1 shows Staff recommendations to the Board for estimated revenues and expenditures by fund for FY 2013. The recommended FY 2013 operating budget of \$19.6 million is slightly higher than the FY 2012 to stabilize critical operations.

Tables 2 and 3 show the agency's operating budgets for a five-year period, including the FY 2013 recommendations, by category of expense and by funding source.

Time Frame:

The FY 2013 budget will be submitted to the Governor's OSPB by the September 1 due date.

Staff and Financial Resources:

No additional staff resources will be required to implement these recommended budgets.

Relation to Strategic Plan:

Resources Goal: To provide sustainable management of our natural, cultural, recreational, economic and human resources.

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Relevant Past Board Actions:

The Board passed FY 2011, FY 2012 and FY 2013 Operating Budgets on June 16, 2010. The FY 2011 budget was revised and approved by the Board on March 17, 2011. The Board passed the FY 2012 budget on June 23, 2011.

Attachments:

Arizona State Parks – FY 2013 Budget Recommendation – Table 1

Arizona State Parks - FY 2009 – FY 2013 Budgets by Expense Category – Table 2

Arizona State Parks – FY 2009 – FY 2013 Budgets by Funding Source – Table 3

Arizona State Parks - RECOMMENDED FY 2013 BUDGET

Fund Source	<u>FY 2013 Adjusted Beginning Cash Balance</u>	<u>FY 2013 Estimated Revenue</u>	<u>FY 2013 Legislated Sweeps</u>	<u>RECOMMENDED FY 2013 Budget</u>	<u>FY 2013 Estimated Ending Cash Balance</u>
Agency Operating Funds:					
Agency-Wide Operating Funds:					
Enhancement Fund - Lump Sum and Kartchner Line	\$4,705,600	\$10,000,000	\$0	(\$10,000,000)	\$4,705,600
Heritage Fund - Interest	0	0	0	0	0
Land Conservation Fund - Interest	13 1,172,600	300,000	0	(850,500)	622,100
Law Enforcement and Boating Safety Fund	15 0	1,120,000	0	(1,120,000)	0
Off-Highway Vehicle Fund - Agency Operations	0	692,100	0	(692,100)	0
Reservation Surcharge Fund	72,400	500,000	0	(500,000)	72,400
State Lake Improvement Fund	16 1,900,200	3,780,000	0	(4,222,600)	1,457,600
Subtotal Agency-Wide Operating Funds	\$7,850,800	\$16,392,100	\$0	(\$17,385,200)	\$6,857,700
Special Program Operating Funds:					
Donations Fund - Interest	\$46,400	\$1,100	\$0	(\$10,000)	\$37,500
Federal Funds - Agency Operations	11 634,600	866,400	0	(1,000,000)	501,000
Off-Highway Vehicle Fund - Program Operations	0	300,000	0	(300,000)	0
Partnerships Fund - Agency Operations	114,100	602,400	0	(602,400)	114,100
Publications & Souvenirs Fund	62,600	350,000	0	(319,800)	92,800
Subtotal Special Program Operating Funds	\$857,700	\$2,119,900	\$0	(\$2,232,200)	\$745,400
Total Agency Operating Funds	\$8,708,500	\$18,512,000	\$0	(\$19,617,400)	\$7,603,100
Donations Program Funds:					
Donations - Asta Forrest Bequest Account	\$143,000	\$0	\$0	\$0	\$143,000
Donations - Park & Program Accounts	21,500	50,000	0	(60,800)	10,700
Total Donations Program Funds	\$164,500	\$50,000	\$0	(\$60,800)	\$153,700
Project and Grant Funds:					
Federal Funds - Projects and Pass-Through Grants	12 0	\$3,039,200	\$0	(\$3,039,200)	\$0
State Lake Improvement Fund - Capital Projects	16 0	1,120,000	0	(1,120,000)	0
Law Enforcement Boating Safety Fund - Grants & Aid	15 0	750,000	0	(750,000)	0
Off-Highway Vehicle Fund - Grants & Aid	14 1,228,800	1,507,900	0	(2,189,400)	547,300
Heritage Fund - Capital Projects	0	0	0	0	0
Partnerships Fund - Projects & Grants to State Parks	0	0	0	0	0
Total Project and Grant Funds	\$1,228,800	\$6,417,100	\$0	(\$7,098,600)	\$547,300
Subtotal Non-Voter Protected Funds	\$10,101,800	\$24,979,100	\$0	(\$26,776,800)	\$8,304,100
Land Conservation Fund - Grants & Aid	\$40,919,300	\$0	\$0	(\$20,000,000)	\$20,919,300
Total All Agency Funds	\$51,021,100	\$24,979,100	\$0	(\$46,776,800)	\$29,223,400

11 Federal operating funds include \$103,500 from Recreational Trails Program (RTP) Administration, and \$896,500 from the Historic Preservation Fund (HPF).

12 Federal project and grant funds include \$85 K for Historic Preservation, \$2.225 M for Recreational Trails, and \$729 K for Land and Water Grants.

13 Land Conservation Fund (LCF) Interest budget includes \$500K for LCF Program Administration, and \$350,500 for agency operations.

14 Off Highway Vehicle (OHV) Grants & Aid expenditures reflect 80% of funds available for award by the State Parks Board.

15 Staff recommends requesting session law for use of FY 2013 LEBSF revenues for agency operations, in excess of the \$750,000 for pass-through grants.

16 Staff recommends seeking favorable JCCR review for use of \$1.12 million of FY 2013 SLIF revenues for capital improvements at agency boating parks.

Arizona State Parks
FY 2009 - FY 2013 Agency Operating Budgets and Recommendations by Category of Expense

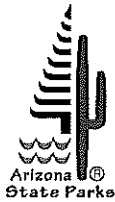
<u>Category of Expense</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>RECOMMENDATION</u> <u>FY 2012</u>	<u>RECOMMENDATION</u> <u>FY 2013</u>
	<u>Original</u> <u>Budget</u>				
	<u>Before</u> <u>Sweeps</u>	<u>Per 4-21-10</u> <u>Board Action</u>	<u>Per 3-17-11</u> <u>Board Action</u>	<u>Operating Budget</u> <u>Estimate</u>	<u>Operating Budget</u> <u>Request</u>
Personal Services	\$13,998,500	\$10,096,600	\$8,695,500	\$8,623,900	\$8,304,500
Employee Related Expenditures (ERE)	<u>5,856,000</u>	<u>4,399,800</u>	<u>3,839,400</u>	<u>3,849,200</u>	<u>3,706,600</u>
Subtotal Personal Services and ERE	\$19,854,500	\$14,496,400	\$12,534,900	\$12,473,100	\$12,011,100
Professional and Outside Services	\$241,200	\$221,700	\$273,500	\$357,200	\$357,200
In-State Travel	447,700	124,100	131,600	139,400	139,400
Out-of-State Travel	5,000	100	5,000	5,000	5,000
Other Operating Expenditures	5,656,300	5,501,900	5,759,600	6,206,300	6,754,700
Non-Capital Equipment	35,000	90,300	58,700	100,000	100,000
Capital Equipment	<u>50,000</u>	<u>32,300</u>	<u>300,000</u>	<u>208,900</u>	<u>250,000</u>
Subtotal All Other Operating	\$6,435,200	\$5,970,400	\$6,528,400	\$7,016,800	\$7,606,300
Total Annual Agency Operating Budget	<u>\$26,289,700</u>	<u>\$20,466,800</u>	<u>\$19,063,300</u>	<u>\$19,489,900</u>	<u>\$19,617,400</u>

Arizona State Parks
FY 2009 - FY 2013 Agency Operating Budgets and Recommendations by Funding Source

<u>Fund Source</u>	<u>FY 2009</u> <u>Original</u>	<u>FY 2010</u> <u>Per 4-21-10</u>	<u>FY 2011</u> <u>Per 3-17-11</u>	<u>RECOMMENDATION</u> <u>FY 2012</u> <u>Operating Budget</u>	<u>RECOMMENDATION</u> <u>FY 2013</u> <u>Operating Budget</u>
General Fund	8,338,200	0	0	0	0
Reservation Surcharge Fund	\$548,000	\$307,400	\$237,600	\$397,600	\$500,000
Enhancement Fund	7,344,000	7,762,200	5,789,100	9,095,200	10,000,000
Law Enforcement Boating Safety Fund	0	0	3,538,100	1,131,600	1,120,000
Federal Historic Preservation Fund	940,000	832,800	896,500	896,500	896,500
Federal Recreational Trails Fund	125,000	97,000	103,500	103,500	103,500
State Lake Improvement	3,150,000	5,294,200	5,250,000	6,000,000	4,222,600
Off-Highway Vehicle - Program Admin.	360,000	261,500	244,700	237,600	300,000
Off-Highway Vehicle - Agency Operating	692,100	692,100	680,700	680,700	692,100
AHF - Interest	2,000,000	1,270,000	160,000	0	0
AHF - Acquisition and Development	0	187,400	0	0	0
AHF - Environmental Education	615,000	907,400	0	0	0
AHF - Natural Areas Oper. & Mgmt.	555,000	345,900	0	0	0
AHF - Trails	0	100,000	0	0	0
AHF - Historic Preservation	0	69,000	0	0	0
Land Conservation - Program Admin.	500,000	500,000	455,000	0	300,000
Land Conservation - Agency Operating	0	1,255,000	500,000	0	550,500
Partnerships Fund	207,400	112,400	798,300	602,400	602,400
Donations Fund Interest	265,000	10,000	90,000	25,000	10,000
Publications & Souvenirs Fund	<u>650,000</u>	<u>462,500</u>	<u>319,800</u>	<u>319,800</u>	<u>319,800</u>
Total Annual Agency Operating Budget	<u>\$26,289,700</u>	<u>\$20,466,800</u>	<u>\$19,063,300</u>	<u>\$19,489,900</u>	<u>\$19,617,400</u>

Arizona State Parks Board Action Report

Agenda Item #: F-2



Title: Consider Submitting a Request to Governor's Office to Meet Arizona State Parks' Financial Needs in FY 2013
Staff Lead: Kent Ennis, Assistant Director
Date: August 3, 2011

Recommended Motion:

I move the Arizona State Parks Board send a letter to the Governor requesting adequate funding for Arizona State Parks for FY 2013. As caretakers of Arizona State Parks, the Arizona State Parks Board considers a fully operational State Parks system an essential element to the economic recovery of the state, particularly in rural Arizona. The request is for an additional \$25 million to come from supplemental and sustainable funding sources.

The additional funding will provide for the following.

- Restore 7-day per week operations for all Arizona State Parks.
- Operate all Arizona State Parks, with enhanced public-private partnerships.
- Discontinue local partner financial support.
- Resume statewide resource management and recreation planning, as required by law.
- Repair and maintain existing park facilities and equipment.
- Award grant monies in accordance with statute (Law Enforcement Boating Safety Fund and Off-Highway Vehicle Recreation Fund).
- Improve park infrastructure to make parks more attractive to potential third-party operators. Consistent with statute, the Board's capital projects will be reviewed by the Joint Committee on Capital Review (JCCR).
- Increase administrative staffing and support to meet expanded agency programs and operations.

Estimated changes to the FY 2012 budget are shown in Table 4.

Status to Date:

At its June 23, 2011 meeting, the Parks Board unanimously directed Staff to determine a level of operating and capital budgets for FY 2013 that would reflect the recommendations from Governor Brewer's Task Force on Sustainable State Parks Funding (2009) to meet the requirements of the State Parks system.

Staff has reviewed the statutory requirements for agency services and the levels of service to the public that have been drastically reduced since FY 2009.

General Assumptions

At the beginning of FY 2009, ASP had a \$26 million operating budget, including \$8.3 million from the General Fund. By FY 2010 and through FY 2012, annual agency operating budgets have been about \$19 million, a 27% decline. Since FY 2010, for the first time since its inception in 1957, the agency has received no General Fund operating appropriation. Agency staffing has been reduced by 40%, resulting in reduced

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hours of operations at parks and some closed parks outright. Financial agreements with local governments and other partners, who recognize the importance of visits to nearby parks to their local economies and lifestyles, have provided a relatively small but critically important resource necessary to keep many parks open. These agreements, which are outside normal budgets, are not sustainable for the long term, however. Additionally, State Parks turned over the complete management responsibility of six parks to local governments or other organizations due to budget cuts.

The agency experienced \$81 million of legislated budget reductions since FY 2008. This includes sweeps to the Enhancement Fund, the agency's gate fee and concession fee fund, which has significantly impaired park system operations.

The elimination of the voter-approved Arizona State Parks Heritage Fund in FY 2010 caused a \$10 million permanent annual revenue reduction, and removed the last source of Parks' capital and maintenance funding for system wide repairs and capital projects.

Supplemental FY 2013 Budget Proposal

In addition to the Baseline FY 2013 Arizona State Parks budget plan to be submitted to Office of Strategic Planning and Budgeting (OSPB), the Board recommends that a fully functional Arizona State Parks Board should provide for the following services to the public:

- All State Parks and natural areas should operate fully.
- Remove the burden of local partners' revenue contributions.
- Address deferred maintenance and capital requirements.
- Increase State Parks marketing efforts to further improve visitation.
- Increase resources management to include scientific specialties so that State Parks can meet its legal and public duties to responsibly manage the sensitive natural and cultural resources entrusted to it.
- Initiate planning of new revenue generating projects at Contact Point, Rockin River, San Rafael and other locations.
- Reinstate statutorily mandated statewide outdoor recreation planning.
- Adhere to Arizona statutes relating to the intended uses of the Enhancement Fund, Off-Highway Vehicle Recreation Fund, the Law Enforcement Boating Safety Fund, and other funds.
- Increase agency administrative support for the programs above.
- Enhance administrative management of private concession contracting.

The final report of "Governor Brewer's Task Force on Sustainable State Parks Funding," October 30, 2009, recommended a Sustainable Parks Fund to provide long-term financial stability. Numerous options for funding sources were provided in that report, including annual contributions from the registration of non-commercial vehicles.

Arizona State Parks Board Action Report

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The report cited the ASU Morrison Institute for Public Policy report, "The Price of Stewardship, the Future of Arizona's State Park", October 2009, that recommended that Arizona State Parks should "have an operating budget of \$30 to \$34 million annually simply to operate the existing Parks system." The current operating budget is \$19.4 million, and includes, under Session Law, temporary funding sources from other state agency programs (LEBSF for \$1.1 million) and funding from local partners (\$500,000).

That operating recommendation did include capital funding requirements, which amount to more than \$175 million in the Parks system.

Time Frame:

The FY 2013 Parks Board-approved budget request will be submitted to the Governor's OSPB by the September 1, 2011, along with a letter describing the additional resources required to operate a fully functioning Arizona State Parks system, per this Board report.

Staff and Financial Resources:

Additional staff resources will be required to implement these enhanced, fully funded operations of Arizona State Parks.

Relation to Strategic Plan:

Resources Goal: To provide sustainable management of our natural, cultural, recreational, economic and human resources.

Relevant Past Board Actions:

The Board adopted the FY 2012 Operating Budget on June 23, 2011.

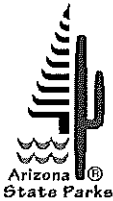
Attachments:

Allocation of FY 2013 Budget Increases – Table 4

REVISED Allocation of FY 2013 Budget Increases

	Additional Funding
<u>Resume Discontinued Programs and Operations:</u>	
• Restore 7-day per week operations at parks currently operated by Arizona State Parks	\$1,000,000
• Directly operate remaining Arizona State Parks 7 days per week, including State Natural Areas, with enhanced public-private partnerships	3,700,000
• Discontinue local partner financial support	500,000
• Resume statewide resource management and recreation planning	3,200,000
• Increase Administrative staff and support for resumed programs and operations	2,000,000
• Repair and maintain existing park facilities and equipment	2,600,000
• Award grant monies in accordance with statute (LEBSF, OHV, SLIF)	500,000
• Improve park infrastructure	300,000
<u>Funding Increase Required for Resumed Agency Operations</u>	<u>\$13,800,000</u>
<u>Replace Diverted Funding Sources for Agency Operations</u>	
• Return 50% of Enhancement Fund to State Parks capital outlay	\$5,000,000
• Return full LEBSF to grants	1,100,000
• Return 88.2% of SLIF revenue to lake improvement capital and grants	4,400,000
• Return OHV agency operating funds to grants	700,000
<u>Total Replacement of Diverted Funding Sources</u>	<u>\$11,200,000</u>
<u>Total Additional Revenue Requirements</u>	<u>\$25,000,000</u>
<u>Total FY 2013 Agency-Wide Full Funding Budget:</u>	
* Funding increase required for resumed agency operations	\$13,800,000
* Approved FY 2012 agency operating budget, currently including \$11.4 million of diverted funding sources	19,500,000
<u>Total FY 2013 Agency-Wide Full Funding Budget</u>	<u>\$33,300,000</u>

Arizona State Parks Board Action Report
Agenda Item #: F-3



Title: Consider Amending the FY 2012 Capital Budget
Staff Lead: Jay Ream, Assistant Director
Date: August 3, 2011

Recommended Motion:

I move the Arizona State Parks Board approve the amended FY 2012 Capital Improvement Plan and authorize expenditures in FY 2012 from currently identified project funding sources, and if available, potential funding sources that are yet to be determined.

Status to Date:

At its June 23, 2011 meeting, the Arizona State Parks Board approved the FY 2012 Capital Improvement Plan (CIP). In FY 2011, Arizona State Parks (ASP) initiated development projects at Patagonia Lake State Park for campground electrification, paving and extending electric service connections and the replacement of the potable water system at Buckskin/River Island State Park including additional design as part of the Arizona Department of Environmental Quality (ADEQ) consent order. These projects were originally scheduled for completion by June 30, 2011. Project delays and change orders necessitate extending the completion date into FY 2012. Due to this extension staff is requesting an amendment to the FY 2012 CIP to account for the completion of these projects. The funds to be used in FY2012 are from previously allocated State Lake Improvement Funds. The previously approved FY 2012 CIP showed no expenditures. Project funding for FY 2012: Patagonia Lake \$223,327, Buckskin/River Island \$154,330 and ADEQ Consent Order \$106,250.

Time Frame:

Projects at Patagonia Lake and Buckskin/River Island State Parks will be completed in FY 2012.

Staff and Financial Resources:

No additional staff is required.

Relation to Strategic Plan:

Visitors Goal: To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens.

Relevant Past Board Actions:

June 23, 2011 the Arizona State Parks Board approved the FY 2012 Capital Improvement Plan.

Attachments:

Fiscal Year 2012 Capital Improvement Plan – Page 13a

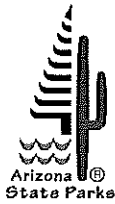
ARIZONA DEPARTMENT OF ADMINISTRATION BUILDING SYSTEM
FY 2012 CAPITAL IMPROVEMENT PLAN
ONE YEAR CAPITAL PROJECT REQUEST SUMMARY
CIP FORM 2

Agency: **PARKS BOARD**

[illegible]

Arizona State Parks Board Action Report

Agenda Item #: F-4



Title: Consider Adopting the Capital Improvement Needs List
Staff Lead: Jay Ream, Assistant Director
Date: August 3, 2011

Recommended Motion:

I move the Arizona State Parks Board adopt the Capital Improvement Needs list for the purpose of planning short and long-term park development projects.

Status to Date:

On June 23, 2011 the Arizona State Parks Board directed staff to update the Arizona State Parks (ASP) capital improvement needs list. The attached document totaling \$175 million. The list, as written, is a compilation of current and anticipated capital improvement needs including land acquisitions. It does not reflect emergency or unanticipated capital projects beyond our ability to plan.

Time Frame:

ASP staff will use this list and additional research to develop a comprehensive capital improvement list for the agency in FY 2012.

Staff and Financial Resources:

Development of the Capital Improvement Needs list required 60 hours of staff time.

Relation to Strategic Plan:

Visitors Goal: To provide safe, meaningful and unique experiences for our visitors, volunteers and citizens.

Relevant Past Board Actions:

June 23, 2011 the Arizona State Parks Board directed staff to assemble and update the list of capital needs for ASP.

Attachments:

Capital Improvement Needs List – Page 14a-14g

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
ALAMO LAKE	Visitor/Boating Safety Center	\$1,250,000
	New Wastewater Treatment Plant	\$850,000
	Maintenance Building	\$120,000
	Ranger Residence at Cholla Road	\$275,000
	New Launch Ramp & Parking (ADOT-Design Complete)	\$1,200,000
	New Group Use Ramadas (8)	\$160,000
	Retrofit Existing Lift Station	\$95,000
	New Fish Cleaning Station at Alamo Lake Road	\$45,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	Existing Restroom Upgrades	\$175,000
	Visitor Cabins (4)	\$150,000
	New Pre-Engineered Restroom/Shower Building	\$350,000
	SUB-TOTAL	\$5,020,000
BOYCE ARBORETUM	Remodel Interpretive Buildings	\$850,000
	Exhibits	\$350,000
	Utility Upgrades w/ADEQ Consent Order	\$750,000
	New Potable Water Storage Tank	\$65,000
	New Wastewater Treatment Plant	\$1,100,000
	New Parking Area Lighting	\$350,000
	New Parking Area w/Ingress & Egress (ADOT Design Complete)	\$1,675,000
	Trail and Picnic Area Restrooms (4)	\$500,000
	Electrify 32 campsites	\$425,000
	Campsite Parking for 32 Spaces	\$1,200,000
	Upgrades and Stabilization to Picket Post House	\$925,000
	Research and Laboratory Facility	\$800,000
	SUB-TOTAL	\$8,990,000
BUCKSKIN MOUNTAIN	Perimeter River Bank and Beach Stabilization	\$2,000,000
	New Pre-Engineered Restroom/Shower Building	\$380,000
	New Launch Ramp	\$1,100,000
	Modify Existing Launch Ramp including New Gas & Diesel Pumps	\$400,000
	Upgrades to Existing Cabana Areas	\$330,000
	Utility Upgrades w/ADEQ Consent Order	\$150,000
	Crack Seal, Slurry & Stripe	\$250,000
	New Ranger Residence	\$150,000
	Restroom/Shower Building (1)	\$325,000
	New Group Use Ramadas (4)	\$80,000
	Electrify 68 Existing Campsites	\$650,000
	SUB-TOTAL	\$5,815,000
BUCKSKIN RIVER ISLAND	New Maintenance Building	\$100,000
	New Pre-Engineered Restroom/Shower Building	\$350,000
	Perimeter River Bank and Beach Stabilization	\$700,000
	New ADA Bridge to Amphitheatre	\$65,000
	New Group Use Ramadas (2)	\$40,000
	Utility Upgrades w/ADEQ Consent Order	\$175,000
	SUB-TOTAL	\$1,430,000
CATALINA	New Visitor Center	\$1,200,000
	Sewerline Extension to Pima County Services	\$2,000,000
	New Bridge over Canada Del Oro Wash	\$1,350,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
CONTINUED	Utility Upgrades w/ADEQ Consent Order	\$250,000
CATALINA	New Group Use Ramadas (8)	\$160,000
	Acquisition of 110 Acres Plus Ranch House; Overlooks Park	\$2,500,000
	Acquisition of 820 Acres of Vacant Land Located North of Park	\$1,500,000
	SUB-TOTAL	\$8,960,000
CATTAIL COVE	Sand Point Renovation	\$3,500,000
	Retrofit & Upgrade Existing WWTP	\$750,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	New Poly Vault Toilets (4)	\$90,000
	New Group Use Ramadas (4)	\$80,000
	New Fish Cleaning Station	\$45,000
	SUB-TOTAL	\$4,815,000
DEAD HORSE RANCH	Studio Remodel	\$200,000
	Electrify 23 Existing Cottonwood Area Campsites	\$290,000
	New Ranger Residence	\$225,000
	New Concession Building	\$325,000
	Utility Upgrades w/ADEQ Consent Order	\$250,000
	New Group Use Ramadas (4)	\$80,000
	SUB-TOTAL	\$1,370,000
FOOL HOLLOW	Restaurant and Lodge	\$4,000,000
	Utility Upgrades w/ADEQ Consent Order	\$75,000
	New Group Use Ramadas (10)	\$200,000
	New Pre-Engineered Restroom/Shower Building (2)	\$650,000
	Crack Seal, Slurry & Stripe	\$250,000
	SUB-TOTAL	\$5,175,000
FORT VERDE	Visitor Center/Barracks Building	\$800,000
	Exhibits	\$300,000
	New HBPP	\$50,000
	Interior Painting & Upgrades to Existing Structures	\$80,000
	Utility Upgrades w/ADEQ Consent Order	\$75,000
	Stabilization to Existing Structures	\$250,000
	Acq. of 2 Acres Plus House; Borders Parade Ground to the East	\$265,000
	SUB-TOTAL	\$1,820,000
HOMOLOVI	Maintenance Building	\$100,000
	Perimeter Potable Water Line Relocation	\$2,500,000
	Repave Roads w/Ingress & Egress (ADOT Design Complete)	\$950,000
	Utility Upgrades w/ADEQ Consent Order	\$175,000
	Maintenance Repair to Existing Contact Station & Storage Yard	\$150,000
	Exhibits	\$100,000
	New Group Use Ramadas (6)	\$120,000
	Land Acquisition	\$384,000
	SUB-TOTAL	\$4,479,000
JEROME	Utility Upgrades w/ADEQ Consent Order	\$75,000
	Water/Sewer Connections Town of Jerome	\$1,000,000
	Exhibits	\$250,000
	SUB-TOTAL	\$1,325,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
KARTCHNER	Off-Site Potable Water Line to City of Benson	\$4,000,000
CAVERNS	Exhibit Upgrades	\$650,000
	New Group Use Ramadas (8)	\$120,000
	Maintenance & Upgrades to Caverns	\$500,000
	Retrofit & Upgrade Existing WWTP	\$750,000
	Upgrade On-Site Potable Water System	\$700,000
	Utility Upgrades w/ADEQ Consent Order	\$450,000
	Land Acquisition	\$750,000
	SUB-TOTAL	\$7,920,000
LAKE HAVASU	Electrify 47 Existing Campsites (Design Complete)	\$450,000
	New Pre-Engineered Restroom/Shower Building	\$350,000
	Utility Upgrades w/LHC	\$250,000
	New Pre-Engineered Restroom Building	\$150,000
	8" Fire Main & Branch Supply to Campground (Design Complete)	\$490,000
	New Launch Ramp	\$1,200,000
	New Group Use Ramadas (8)	\$160,000
	SUB-TOTAL	\$3,050,000
LAKE HAVASU- CONTACT POINT	Master Plan and Environmental Studies	\$1,500,000
	Roads and Parking	\$5,500,000
	Launch Ramps (2)	\$800,000
	Six Lane Launch Ramps (2)	\$1,500,000
	Off-Site Utilities	\$2,300,000
	Landscape & Irrigation	\$1,100,000
	Site Amenities-Picnic Tables, Grills, etc.	\$750,000
	On-Site Utilities	\$3,000,000
	Convenience Store, Boat Inspection & Wash	\$450,000
	Exhibits	\$300,000
	Contact Station	\$350,000
	M & O Facility	\$500,000
	Admin Building	\$650,000
	Boat Storage and Maintenance Facility	\$3,500,000
	Multi-Use Swim & Beach Front Area	\$650,000
	Restroom/Shower Building and Twenty Ramadas	\$900,000
	Marina Office	\$150,000
	Food Service Facility	\$400,000
	Covered Boat Slips	\$350,000
	Nav-Aids	\$150,000
	On-Lake Fueling Station	\$700,000
	Dredge Cove for Breakwater/Jetty	\$1,200,000
	Acq. of 83.5 Acres on the Colorado River, North of Contact Point	\$2,500,000
	SUB-TOTAL	\$29,200,000
LAKE HAVASU- CONTACT POINT-40 Acre Adj. Parcel	Clear & Grubb Acreage for New Campground	\$1,800,000
	Restroom/Shower Buildings (3)	\$1,100,000
	On-Site Utilities	\$2,400,000
	Landscape & Irrigation	\$1,500,000
	Establish Riparian Area at Existing Wash	\$400,000
	Site Amenities-Picnic Tables, Grills, etc.	\$500,000
	Ramadas (20)	\$500,000
	SUB-TOTAL	\$8,200,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
LOST	New Ranger Residence	\$150,000
DUTCHMAN	New Pre-Engineered Restroom Buildings (2)	\$300,000
	New Group Use Ramadas (6)	\$120,000
	Utility Upgrades w/ADEQ Consent Order	\$120,000
	SUB-TOTAL	\$690,000
LYMAN LAKE	Contact Station/Visitor/Archaeology Center	\$650,000
	Utility Upgrades w/ADEQ Consent Order	\$250,000
	New Pre-Engineered Vault Toilets (3)	\$150,000
	Group Use Building Remodel	\$250,000
	Exhibits	\$125,000
	New Group Use Ramadas (4)	\$80,000
	Acquisition of 220 Acres; Parks Currently Leasing	\$175,000
	SUB-TOTAL	\$1,680,000
McFARLAND	Crack Seal, Slurry & Stripe	\$75,000
	Exhibits	\$350,000
	SUB-TOTAL	\$425,000
ORACLE	Remodel & Upgrade Existing Residences (3)	\$600,000
	New HBPP	\$50,000
	Upgrades to Mechanical Systems at Kannally House	\$650,000
	Visitor Education Center and Classrooms	\$1,500,000
	Parking and Overflow w/Ingress & Egress (ADOT Design Complete)	\$650,000
	Stabilization of Perimeter Walls	\$400,000
	New Pre-Engineered Restroom Building	\$250,000
	New Group Use Ramadas (4)	\$80,000
	Utility Upgrades w/ADEQ Consent Order	\$200,000
	New Wastewater Treatment Plant	\$750,000
	Exhibits	\$475,000
	New Underground Water, Electric and Gas Infrastructures	\$1,750,000
	SUB-TOTAL	\$7,355,000
PATAGONIA	Stabilize and Retrofit Existing Dam	\$150,000
LAKE	New Floating Docks at Marina Store	\$75,000
	Addition to Contact Station	\$150,000
	New Roofing at Marina Store	\$35,000
	Upgrades to Pedestrian Bridge	\$45,000
	New Group Use Ramadas (4)	\$80,000
	New Wastewater Treatment Plant	\$850,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	Acq. of 3,066 Acres Located Around Patagonia Lake & over to SCSNA	\$2,800,000
	SUB-TOTAL	\$4,535,000
PICACHO PEAK	Trail Stabilization, Grading & Signage	\$150,000
	Utility Upgrades w/ADEQ Consent Order	\$250,000
	Existing Restroom Modifications	\$75,000
	New Group Use Ramadas (6)	\$120,000
	Crack Seal, Slurry & Stripe	\$250,000
	Land Acquisition	\$4,160,000
	SUB-TOTAL	\$5,005,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
RED ROCK	Maintenance Building/Yard	\$150,000
	Upgrades to Visitors Center	\$175,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	New Group Use Ramadas (4)	\$80,000
	Crack Seal, Slurry & Stripe	\$250,000
	House of Apache Fire	\$2,500,000
	New Bridge over Oak Creek	\$350,000
	Exhibits	\$50,000
	New Ranger Residences (2)	\$600,000
	Park Offices and Environmental Education Headquarters	\$1,500,000
	Trailhead Vault Toilets (2)	\$125,000
	SUB-TOTAL	\$6,130,000
RIORDAN MANSION	Addition to Visitors Center (Design Complete)	\$475,000
	Relocate and Remodel Cabin House	\$250,000
	Exhibits	\$500,000
	Upgrades to Fire/Alarm Suppression System	\$80,000
	New Group Use Ramadas (2)	\$40,000
	SUB-TOTAL	\$1,345,000
ROCKIN RIVER RANCH	New Roof at Main Ranch House	\$250,000
	New Group Use Ramadas (2)	\$40,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	New Paved Entrance Road	\$400,000
	Demo Existing Structure at Entrance	\$90,000
	New Host Sites (2)	\$120,000
	SUB-TOTAL	\$1,250,000
ROPER LAKE & DANKWORTH	Electrify 28 Existing Gila Area Campsites	\$350,000
	Retrofit Existing Restroom & Shower Buildings	\$200,000
	New Pre-Engineered Restroom/Shower Building	\$350,000
	New Group Use Ramadas (4)	\$80,000
	New Fish Cleaning Station	\$45,000
	Bank Stabilization	\$100,000
	Remodel Existing Structure at Dankworth	\$75,000
	Crack Seal, Slurry & Stripe	\$250,000
	Utility Upgrades w/ADEQ Consent Order	\$350,000
	SUB-TOTAL	\$1,800,000
SAN RAFAEL	Utility Upgrades w/ADEQ Consent Order	\$250,000
	Upgrades to Cowboy Houses (2)	\$225,000
	New HBPP	\$75,000
	New Underground Electrical Grid to Main Ranch House	\$475,000
	Ranch House Stabilization w/Mechanicals	\$900,000
	Blacksmith Shop Stabilization	\$425,000
	Barn, Stables, Corrals & Windmill Pumphouse Stabilization	\$500,000
	Exhibits	\$550,000
	New Ranger Residence (2)	\$500,000
	SUB-TOTAL	\$3,900,000
SLIDE ROCK	Visitor Center, Exhibits and Building Restoration	\$2,000,000
	New Ranger Residence (2)	\$500,000
	Exhibits	\$150,000
	Restoration of Tourist Cabins (3)	\$450,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
CONTINUED	Utility Upgrades w/ADEQ Consent Order	\$75,000
SLIDE ROCK	Additional Parking Areas	\$450,000
	Crack Seal, Slurry & Stripe	\$175,000
	New Group Use Ramadas (2)	\$40,000
	SUB-TOTAL	\$3,840,000
SONOITA	Exhibits	\$200,000
CREEK	New Pre-Engineered Vault Toilets (2)	\$180,000
	New Contact Station/Visitor Center	\$600,000
	Group Use Amphitheater	\$150,000
	Parking and Overflow w/Ingress & Egress (ADOT Design Complete)	\$765,000
	Land Area Acquisitions	\$10,000,000
	New Group Use Ramadas (4)	\$80,000
	Utility Upgrades w/ADEQ Consent Order	\$50,000
	SUB-TOTAL	\$12,025,000
TOMBSTONE	Building Improvements, New Roof and Stabilization	\$400,000
	Restore Park Offices and Storage	\$350,000
	Exhibits	\$1,200,000
	Parking and Overflow w/Ingress & Egress (ADOT Design Complete)	\$300,000
	Land Area Acquisition	\$80,000
	SUB-TOTAL	\$2,330,000
TONTO	New Pre-Engineered Flush Restroom Building	\$250,000
NATURAL	Cabin Sites and Roads w/Ingress & Egress (ADOT Design Complete)	\$650,000
BRIDGE	Rock Stabilization to Gowan Loop Trail	\$275,000
	Stabilize Entry Road and Additional Roadside Parking	\$1,500,000
	Exhibits	\$300,000
	New Contact Station	\$150,000
	New Roofs to Ranger Residences (2)	\$90,000
	Utility Upgrades w/ADEQ Consent Order	\$75,000
	New Group Use Ramadas (2)	\$40,000
	Interior Improvements and Repair to Lodge (Phase III)	\$350,000
	New Wood Log Cabins (17)	\$775,000
	SUB-TOTAL	\$4,455,000
TUBAC	New Pre-Engineered Restroom Building	\$250,000
PRESIDIO	Museum Upgrades	\$400,000
	Continued Stabilization to Rojas House and Tack Room	\$225,000
	Upgrades to Maintenance Building and Yard	\$100,000
	stabilization to Existing Trails	\$50,000
	New Group Use Ramadas (2)	\$40,000
	Exhibits and Presidio Upgrades	\$800,000
	New Courtyard Observation Tower	\$400,000
	Utility Upgrades w/ADEQ Consent Order	\$175,000
	Land Acquisition	\$150,000
	SUB-TOTAL	\$2,440,000
VERDE RIVER	Land Area Acquisitions	\$10,000,000
GREENWAY	New River Access Points (4)	\$400,000
	New Visitor Center	\$1,500,000
	Remodel Existing Structures (3)	\$150,000

ARIZONA STATE PARKS CAPITAL IMPROVEMENT NEEDS (SHORT AND LONG-TERM)

PARK	PROJECT DESCRIPTION	ESTIMATES
CONTNUED	Exhibits	\$200,000
VERDE RIVER	Indian Hills Interpretive Site and Offices	\$400,000
	SUB-TOTAL	\$12,650,000
YUMA QTR	Exhibit Master Plan and Exhibits	\$850,000
MASTER	East Warehouse Renovation	\$750,000
DEPOT	Maintenance Building	\$80,000
	Restoration of Corral House	\$550,000
	Trails and Site Amenities Between Yuma Parks	\$75,000
	SUB-TOTAL	\$2,305,000
YUMA	Stabilize Existing Sallyport	\$350,000
TERRITORIAL	New Sewerline under Railroad Tracks	\$350,000
PRISON	Exhibits	\$800,000
	Reconstruct South Yard Wall	\$200,000
	Add Second Floor Hosiptal Wing Over Jail Cells	\$650,000
	Restore Dark Cell	\$50,000
	Add Guard Towers to Existing Perimeter Straw Bale Wall (2)	\$150,000
	Restore Cemetery	\$90,000
	New Group Use Ramadas (4)	\$80,000
	New Pre-Engineered Restroom Building	\$275,000
	Trails and Site Amenities Between Yuma Parks	\$350,000
	Stabilization to Caliche Hill & Womens Cells	\$650,000
	SUB-TOTAL	\$3,995,000
	GRAND TOTAL ALL PROJECTS	\$175,724,000

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Arizona State Parks Board Action Report

Agenda Item #: F-5



Title: Consider Letter of Support for Fully Funding Stateside Land and Water Conservation Fund
Staff Lead: Jay Ziemann, Assistant Director
Date: August 3, 2011

Recommended Motion:

I move the Arizona State Parks Board endorse the attached letter to the Secretary of the Interior Ken Salazar, opposing the redirection of the stateside Land and Water Conservation Funds (LWCF) for other purposes.

Status to Date:

On September 3, 1964, President Lyndon Johnson signed the Land and Water Conservation Fund Act. The Act has two components. The Federal side is for the acquisition of lands for public recreation to be maintained in perpetuity. The stateside portion is to be used for the acquisition and development of outdoor recreation resources. Prior to receiving LWCF funding, the states must complete a statewide comprehensive outdoor recreation plan (SCORP).

After 1968, revenues to the LWCF came from outer continental shelf mineral leasing. By Federal Fiscal Year 1978 funding was increased to \$900 million per year. Unfortunately, LWCF funding, and especially the state side half, has been sporadic over the years.

President Obama's administration is now seeking funding for their America's Great Outdoors (AGO) Initiative. The Administration is advocating that a new national competitive grant program would be funded by the redirection of 60% of the state side appropriation of the LWCF. Indications are that the National Park Service would administer this new grant program instead of having each state and their State Liaison Officer review and select the projects based on our open project selection process, which is based upon priorities of each state's SCORP.

A stateside coalition consisting of the National Association of State Liaison Officers (NASORLO), the National Recreation and Park Association, (NRPA), the National Association of State Park Directors (NASPD), the National Association of Recreation Resource Planners (NARRP), and the National Governors Association (NGA), along with others representing state interests oppose redirecting stateside LWCF to a new program. The AGO's national competitive grant program is viewed as federalizing a state program.

Additionally, these groups are seeking Congressional action for equity in the distribution of funds in the LWCF between the federal and state side shares because the local and state outdoor recreational needs far exceed current funding levels and state and local projects encourage activity and healthy lifestyles near the population. In Arizona, the loss of the LWCF, coupled with the loss of the State Parks Heritage Fund would be very detrimental to local recreation funding.

Arizona State Parks Board Action Report
Agenda Item #: F-5

Time Frame:

If approved, staff will send the letter immediately.

Staff and Financial Resources:

These efforts fall within the ongoing work responsibilities of agency staff.

Relation to Strategic Plan:

Partnerships Goal: To build lasting public and private partnerships to promote local economies, good neighbors, recreation, conservation, tourism and establish sustainable funding for the agency.

Relevant Past Board Actions:

N/A

Attachments:

Draft letter to Secretary of the Interior, Ken Salazar – Pages 16a-16b

August XX, 2011

The Honorable Ken Salazar
Secretary of the Interior
1849 C Street, N.W.
Washington D.C. 20240

Re: America's Great Outdoors Initiative/Stateside Land and Water Conservation Fund

Dear Secretary Salazar:

On behalf of the Arizona State Parks Board, I would like to thank you for the opportunity you extended to State Parks staff to meet with your leadership to discuss future collaborative efforts with the State of Arizona in support of America's Great Outdoors Initiative (AGO). I believe the purpose and intent of AGO is admirable and one in which we can all work together and support well into the future. The State of Arizona, in cooperation with your leadership has identified three projects in Arizona that I understand the Department of the Interior may intend to fund over the next 18 months: *The World Capital of Trails in Wickenburg, Arizona; Lake Havasu National Bluewater Trail System in Lake Havasu; and the Rio Salado River Pathways Program in Phoenix.* These are all outstanding projects and provide valuable opportunities to all generations of Arizonans to enjoy the outdoors and other benefits this great state provides.

Based on the discussion with your staff regarding the funding of AGO, it was our understanding that the AGO would receive additional federal funding to accomplish these and other efforts around the country. Based on recent communications, however, we now understand that the Department of the Interior's approach is to re-direct 60% of the stateside Land and Water Conservation Funding (LWCF) to fund AGO projects. I must be frank; this approach is simply unacceptable to the Arizona State Parks Board.

LWCF was authorized as a program to re-invest assets from oil revenue into outdoor recreation areas and facilities thereby creating perpetual assets for the local communities, state and nation. The national priorities identified in 1965, again in 1980 and more recently in 2010 continue to identify needs within communities and the state for additional outdoor recreation areas and facilities. The program was designed to emphasize development of close-to-home recreation and 60% of the assets of the program were earmarked for state and local use. Arizona's current plan identifies outdoor recreation issues of statewide importance based upon input from the public and local governments. Arizona's top two needs as identified in our State Comprehensive Outdoor Recreation Plan (SCORP) are to maintain and renovate existing outdoor recreation facilities. Arizona received over \$20 million of stateside LWCF grant requests over the past two fiscal years, but stateside LWCF was only able to fund 3% of requests. Arizona cannot support the diversion of these highly demanded projects to go to federally-selected projects.

The Honorable Ken Salazar
August XX, 2011
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As the National Governors Association articulated in Policy Resolution NR-14, the governors recommended that Congress fully fund the stateside portion of the LWCF for the acquisition and development of public outdoor recreation areas and facilities in a manner that provides a balanced and equitable appropriation of stateside funding in comparison to the federal side of the program while honoring the original intent and spirit of LWCF. Governors also encouraged Congress to authorize changes to the stateside LWCF to allow for a match of 75 percent federal/25 percent state as a means of increasing opportunity to use these funds in small communities and support increased private investment in recreation facilities on public lands.

We strongly oppose diverting funding from locally developed and supported priorities in order to support federally-selected priorities under AGO. The redirection of stateside LWCF funding not only ignores local community priorities, but will lead to the erosion of public and local government support for LWCF and ultimately, and unintentionally, toward diminishing Congressional support for this valuable program. Public and local community support for LWCF is critical to its long-term success. I urge you to support local use of these funds as was originally intended and not divert heavily-demanded stateside LWCF for nationally-chosen priorities that Arizona and the majority of other states may never see.

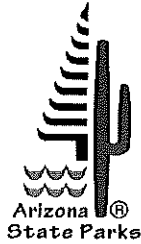
In these difficult and uncertain economic times, we should be working together to identify ways in which these programs can complement our mutual objectives and priorities, not unnecessarily create situations where we would be in direct competition.

If you would like to further discuss this matter, please contact Renée Bahl, Executive Director, at (602) 542-4174 or rbahl@azstateparks.gov.

Sincerely,

Tracey Westerhausen, Chair
Arizona State Parks Board

cc: The Honorable Janice K. Brewer, Governor of Arizona
Arizona State Parks Board Members
Jeffrey Bell, Chair, Arizona Outdoor Recreation Coordinating Commission
Renée Bahl, Executive Director, Arizona State Parks



Arizona State Parks Board Action Report

Agenda Item #: G-1

Title: Discuss Ideas for a FY 2012 Action Plan
Staff Lead: Monica Enriquez, Executive Staff Assistant
Date: August 3, 2011

Status to Date:

At its June 22 and June 23, 2011 Board meetings, the Board briefly discussed a FY 2012 action plan. The Board requested this item be added to this agenda for discussion.

An action plan would provide more specific tasks for the Parks Board and staff to work toward in FY 2012.

Upcoming Activities:

None are scheduled at this time.

Time Frame/Target Date for Completion:

An adopted action plan would be effective immediately.

Relevant Past Board Actions:

The Parks Board discussed adopting a FY 2012 action plan at its June 22 and June 23, 2011 Board meetings.